GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3101
ANSWERED ON:07.08.2015
Integrated Economy
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Will the Minister of FINANCE be pleased to state:

(a) the manner in which economic integration of India would be achieved;
(b) the funds allocated to industrial and agriculture sectors during the last three years and the current year, sector-wise;
(c) whether there is huge imbalance in the development of industrial and agriculture sectors in the country;
(d) if so, the details thereof; and
(e) the steps taken by the Government to ensure the balanced progress of both the sectors?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)
(a) The integration of the Indian economy can be considered in terms of its integration with the rest of the world, and/or, the integration among different sectors/segments of the economy. With the progressive opening up of the economy, India is becoming more integrated with the rest of the world. Considering the dynamic inter-linkages between sectors, the Government has been striving to achieve balance between different sectors of the economy with various initiatives that, inter alia, include: Pradhan Mantri Jan Dhan Yojana, which can mobilize grassroots level savings and intermediate them for investment purposes; the roll-out of the National Policy for Skill Development and Entrepreneurship, 2015 (as a part of SKILL INDIA) with focus on promoting industry engagement, quality assurance and leveraging of technology on the one hand, and, stress on providing skilling opportunities for the marginalized groups and women, on the other; and, importance given to agro-based industries, which will strengthen linkages between agriculture and industry, among others.

(b) The funds allocated (actuals/revised estimates/budget estimates) in the Union Budgets for agriculture and industry & minerals sectors for the last three years and the current year are as under:

Funds Allocated for Agriculture and Industry Sectors (Rs. in crore)
Sector Actuals
(2012-13) Actuals
(2013-14) Revised
2014-15 Budget
2015-16
Agriculture Sector 19802 19938 12009 13977
Industry & Minerals 13942 14347 13651 15100

(c) & (d) The share of agriculture & allied sectors in the Gross Value Added at current basic prices declined from 18.0 per cent in 2012-13 to 17.0 per cent in 2014-15. Simultaneously, the share of industrial sector also declined from 31.9 per cent to 30.0 per cent during the period. A gradual decline in the share of agriculture in Gross Domestic Product is generally experienced in the process of development.

(e) The Government has taken various steps to improve growth in the agriculture sector, including, initiatives on micro irrigation, watershed development, soil conservation and credit. Some specific initiatives include; the Soil Health Card Scheme to improve soil fertility on a sustainable basis; support to organic farming scheme − "Paramparagat Krishi Vikas Yojana"; and, the Pradhan Mantri Krishi Sinchayee Yojana. In order to minimize the impact of delayed/deficient rainfall and long dry spells, the Indian Council of Agricultural Research has prepared contingency plans for more than six hundred districts. To minimize the adverse impact of climate change, the Government has taken important initiative in the form of National Mission on Sustainable Agriculture. The Government, at the same time, has taken various initiatives to improve the growth rate of the industrial sector which, inter alia, include; fillip to manufacturing through fiscal incentives and concrete measures for transport, power, and other urban and rural infrastructure; liberalization of foreign direct investment in selected sectors; Skill India and Digital India initiatives; measures to de-bottleneck the supply of key raw-materials like coal; "Make in India" initiative with the attendant facilitatory measures for a more conducive environment for investment; and various measures for small and medium industries.